DEPARTMENT OF THE NAVY
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20350-1000

SECNAVINST 5238.1C
DONIRM(C)
07 April 1989

SECNAV INSTRUCTION 5238.1C

From: Secretary of the Navy

Subj: COMPUTER RESOURCES MANAGEMENT

Ref: (a) DOD Directive 7950.1 of 29 Sep 80 (NOTAL)
        (b) DOD 7950.1-M of 26 Sep 88 (NOTAL)

Encl: (1) Certification Statement

1. <u>Purpose</u>. To establish policies and procedures for inventory management, sharing, and reutilization or redistribution of computer resources within the Department of the Navy (DON), and implement references (a) and (b).

2. <u>Cancellation</u>. SECNAVINST 5237.1 (NOTAL), SECNAVINST 5237.3 (NOTAL), SECNAVINST 5238.1B (NOTAL), and Report Control Symbols DD-COMP(2)953(5237), 1106-GSA-AN (5237), and OPNAV 5238-2.

3. <u>Discussion</u>

   a. Effective, economical, and efficient use of computer resources is essential to supporting DON missions, functions, and operations. With pressures to reduce the budget increasing, better management of computer resources is becoming even more critical. To meet the management information requirements of DON components and activities as well as those of the Department of Defense (DOD), General Services Administration, Office of Management and Budget, and the Congress, DON must develop and maintain an accurate inventory of computer resources on-hand at each echelon, and then use that inventory on a regular basis for asset accountability and internal control and for requirements analysis and planning. As opportunities for sharing and for reutilization or redistribution of excess federal computer resources are identified, they must be exploited to meet DON requirements at the lowest possible overall cost.

   b. The Defense Automation Resources Information Center (DARIC), under the Defense Logistics Agency, provides centralized management of inventory reporting, sharing, and reutilization or redistribution of excess federal computer resources for the DOD via the Automation Resources Management System (ARMS), an automated information system. This instruction implements ARMS within the DON, and cancels the DON Automatic Data Processing Program Reporting System (ADPPRS) for inventory management. Implementation of ARMS should provide a cost-effective tool for managing DON computer resources.

0579LD0543200

4. Definitions. Reference (b) defines special terms used in this instruction, except the term "Obsolescent Computer Resources" which means that:

a. The original equipment manufacturer announces that repair parts or maintenance services may no longer be provided after a stated date;

b. A comparative analysis of all direct and indirect costs reveals that it is more costly to obtain repair parts and maintenance services from any source than to convert the software and replace the equipment with new equipment; or

c. Serviceability trends indicate a degradation in reliability of the computer resources sufficient to jeopardize the mission supported by those resources.

5. Applicability and Scope. This instruction applies to all DON components and activities, including their contractors. Its scope covers all those computer resources (i.e., "automation resources") which must be managed under reference (b). Only those computer resources specifically exempted by reference (b) are excluded.

6. Goal and Objectives. The goal of this instruction is to ensure effective support of DON missions, functions, and operations through the economic and efficient use of computer resources by meeting three objectives:

a. Providing management visibility of on-hand computer resources for asset accountability and control and for requirements analysis and planning.

b. Promoting cost-effective modernization of computer resources support by planning for the timely replacement of obsolescent computer resources.

c. Making use of existing excess federal computer resources capability that meets DON requirements for performance, reliability, security, survivability, serviceability, and cost-effectiveness.

7. Policy. It is DON policy to:

a. Ensure adequate computer resources for meeting DON requirements through continuing management attention at all echelons to:

(1) Maintaining a current inventory of computer resources available to support mission requirements;

(2) Providing positive asset accountability and internal control of computer resources on-hand;

(3) Conducting requirements analysis and planning for a wide range of concerns including modernization, productivity, economy and efficiency, energy consumption, mobilization readiness, security, survivability, and serviceability of computer resources; and

(4) Reviewing periodically the remaining useful life of available computer resources to identify obsolescent conditions and plan for the orderly replacement of obsolescent assets.

b. When determining and justifying DON requirements for computer resources:

(1) Exclude any planned or anticipated sharing, or a reservation of excess capacity for sharing, except in the case of requirements of the industrially-funded DON service centers; and

(2) Include any planned or anticipated reutilization or redistribution of the computer resources.

c. Acquire additional computer resources by contract only after first determining that the DON requirements cannot be satisfied in an effective, economic, and efficient manner through:

(1) Sharing of excess computer resources available within DON, other DOD components, other federal agencies, or their contractors; or

(2) Reutilization or redistribution of excess computer resources with a remaining useful life when available within DON, other DOD components, other federal agencies, or their contractors.

d. Use ARMS for maintaining the DON inventory of computer resources, and for sharing and reutilization or redistribution of excess federal computer resources available for DON use.

e. Use ARMS as the principal repository of information on DON computer resources for routine management purposes (e.g., planning, programming, and budgeting; implementing computer security; and responding to external requests for information).

8. Procedures. DON components and activities shall:

a. Ensure the effective, economical, and efficient implementation of the policies and procedures in this instruction and reference (b).

b. Identify and exploit opportunities for sharing and for reutilization or redistribution of excess federal computer resources

c. Ensure that their computer resources which have been used for processing or storing classified information have been sanitized prior to being reported as excess and available for reutilization or redistribution.

d. Adjudicate any unresolved competing requirements for sharing and for reutilization or redistribution of excess federal computer resources within their respective organizations.

e. Ensure timely submission of their data to the ARMS data base, and verify its accuracy on a periodic basis:

(1) Report gains and losses in their inventory of computer resources to the ARMS data base within 30 days of receipt or disposal of their assets;

(2) Verify accuracy of their inventory of computer resources periodically, including a verification as of 30 September each year. Prepare an official annual certification statement using the format in enclosure (1), retain the original, and provide a copy via the chain of command to the Naval Data Automation Command (NAVDAC, Code 53H) no later than 31 October each year;

(3) Report changes in their listings of excess computer resources available for sharing or for reutilization or redistribution to the ARMS data base within 30 days of changes in the excess status of their assets; and

(4) Verify the accuracy of their listings of excess computer resources periodically in conjunction with the verification of their inventory of computer resources.

f. Ensure that information required on equipment that is contractor-owned or contractor-leased is reported by the organization having primary contract administration cognizance, or, in the absence of an assignment of primary cognizance, by the organization having the preponderance of business with the contractor in terms of total contract dollar value.

g. Acquire additional computer resources only after attempting to satisfy their requirements through sharing and reutilization or redistribution of available excess federal assets.

h. Ensure timely inclusion of their resource requirements for implementation of ARMS and for replacement of obsolete computer resources in the DON Planning, Programming, and Budgeting System (PPBS).

9. Responsibilities

a. Director, Department of the Navy Information Resources Management (DIRDONIRM) shall serve as the DON ARMS Focal Point for implementation of this instruction within the Department of the Navy, and as the ARMS Focal Point for the Office of the Secretary of the Navy and for Navy Department organizations not on the distribution list of this instruction.

b. Chief of Naval Operations (OP-945) shall serve as the focal point for implementation of this instruction within the Navy, and as the Navy ARMS Focal Point.

c. Commandant of the Marine Corps (CC) shall serve as the focal point for implementation of this instruction within the Marine Corps, and as the Marine Corps ARMS Focal Point.

d. Navy Regional Data Automation Center, Washington (NARDAC-WASH, Code 40), under the Naval Data Automation Command (NAVDAC, Code 50), has been designated to provide staff support to the DON, Navy, and Marine Corps ARMS Focal Points, and to provide technical assistance to other ARMS Focal Points as required.

e. Other Addressees shall designate ARMS Focal Points for their respective components and activities and provide the name, address, and telephone numbers of the persons designated as their ARMS Focal Points to NARDAC-WASH (Code 442) no later than 30 days from the date of this instruction so that necessary arrangements for ARMS implementation can be made.

f. Designated ARMS Focal Points shall:

(1) Have responsibility and commensurate authority to manage the implementation of this instruction within their respective components and activities.

(2) After completion of the required annual verification of their inventory of computer resources, forward a copy of the official certification statement to NAVDAC (Code 53H) .

(3) Obtain copies of reference (b) as required by submitting a request on a DOD Single Line Item Requisition, DD 1348, to the Commanding Officer, Naval Publications and Forms Center, 5801 Tabor Avenue, Philadelphia, PA 19120-5099, citing Stock Number (S/N) 0425-LP-196-7300.

10. Information Requirements. The following Report Control Symbols (RCS) are approved for 3 years only from the date of this instruction:

a. RCS SECNAV 5238-1 for reporting the inventory of computer resources to ARMS.

b. RCS SECNAV 5238-2 for reporting excess computer resources available for sharing to ARMS.

c. RCS SECNAV 5238-3 for reporting excess computer resources available for reutilization or redistribution to ARMS.

11. Form. DD 1348, S/N 0102-LF-001-3481, is available through normal Navy supply channels per NAVSUP P-2002.

12. <u>Effective Date</u>. DON components and activities will fully implement ARMS no later than 30 September 1989.

H. Lawrence Garrett, III
Under Secretary of the Navy

Distribution:
SNDL A2A   (Department of the Navy Staff Offices) (Auditor General of the Navy,
                  DONIRM, NAVY JAG, CNR, and NIG, only)
       A3   (CNO) (OP-945, only) (25 copies)
       A6   (CMC) (CC, only)
       50A   (Unified Commands) (USCINCPAC and USCINCLANT, only)
       WA   (Department of the Navy Echelon 2 Shore Activities Under the
                  Supervision of the Secretary of the Navy)
       WB   (Department of the Navy Echelon 2 Navy Activities Under the
                  Command of the Chief of Naval Operations)

Copy to:
SNDL C25A   (OPNAV Support Activity Detachments) (Fort Ritchie, only)
       FL1   (COMNAVDAC) (Code 813, only) (60)
MARCORPS Code H plus 7000067 (20)

Stocked:
CO, NAVPUBFORMCEN
5801 Tabor Avenue
Philadelphia, PA 19120-5099 (100 copies)

MEMORANDUM FOR THE RECORD

Subj: CERTIFICATION OF COMPLETION OF THE ANNUAL VERIFICATION OF THE INVENTORY OF COMPUTER RESOURCES REPORTED IN THE AUTOMATED RESOURCES MANAGEMENT SYSTEM (ARMS) AS OF END OF FISCAL YEAR

Ref: (a) SECNAVINST 5238.1C

1. The _____ (Component or Activity) inventory of computer resources reported in ARMS for Fiscal Year 19____ has been reviewed as required by reference (a).

2. Inventory data reported in ARMS is hereby certified as follows (Check one):

_____ Inventory data is both complete and accurate as previously reported. Data is of acceptable quality for use in reports to the Congress, Office of Management and Budget, General Services Administration, and Department of Defense.

_____ Integrity of the inventory data is in question. Data is NOT of acceptable quality for use in reports to the Congress, Office of Management and Budget, General Services Administration, and Department of Defense. An explanation of inventory discrepancies is attached.

                                                    _____
                                                    (Signature and Title)

Distribution:
(As appropriate)

Copy to:
Commander,
Naval Data Automation Command (DAC-53H)
Bldg. 166, Washington Navy Yard
Washington, D.C. 20374 - 1662

Enclosure (1)